**COUNTY OF SAN LUIS OBISPO**
**DEPARTMENT OF PLANNING AND BUILDING**
**STAFF REPORT**

# PLANNING COMMISSION

*Promoting the wise use of land*

| MEETING DATE | CONTACT/PHONE | APPLICANT | FILE NO. |
|---|---|---|---|
| August 25, 2016 | Brandi Cummings, Project Manager<br>805-781-1006<br>bcummings@co.slo.ca.us | Hitachi Zosen Inova USA, LLC | DRC2015-00122 |

SUBJECT

A hearing to consider a request by **HITACHI ZOSEN INOVA USA, LLC** for a Conditional Use Permit to allow for the construction and operation of an anaerobic digestion plant (ADP) to process green and food waste from the Waste Connections service area. The project will include the remodel of an existing 13,128 square-foot (sf) warehouse building and construction of a 36,000 sf addition. Other improvements will include a new office trailer, 80-space parking lot, vehicle weighbridge, 5,000 sf digester, 3,500 sf presswater tank, 7,500 sf biofilter, 1,059 kW combined heat and power (CHP) unit with flare, site grading, and stormwater facilities. The project will result in the disturbance of approximately 4.8 acres on two parcels totaling 12.53 acres. The proposed project is within the Industrial land use category and is located at 4388 Old Santa Fe Road, approximately 850 feet east of Hoover Avenue and Old Santa Fe Road, south of the community of San Luis Obispo. The site is in the San Luis Obispo Sub Area (North) of the San Luis Obispo planning area.

RECOMMENDED ACTION

1. Adopt the Negative Declaration in accordance with the applicable provisions of the California Environmental Quality Act, Public Resources Code Section 21000 et seq.
2. Approve Conditional Use Permit DRC2015-00122 based on the findings listed in Exhibit A and the conditions listed in Exhibit B

ENVIRONMENTAL DETERMINATION

The Environmental Coordinator, after completion of the initial study, finds that there is no substantial evidence that the project may have a significant effect on the environment, and the preparation of an Environmental Impact Report is not necessary. Therefore, a Negative Declaration (pursuant to Public Resources Code Section 21000 et seq., and CA Code of Regulations Section 15000 et seq.) has been issued on July 21, 2016 for this project. Mitigation measures are proposed to address Air Quality, Geology and Soils, Hazards/Hazardous Materials, Transportation/Circulation, and Water/Hydrology and are included as conditions of approval. Anyone interested in commenting or receiving a copy of the proposed Environmental Determination should submit a written statement. Comments will be accepted up until completion of the public hearing(s).

| LAND USE CATEGORY | COMBINING DESIGNATION | ASSESSOR PARCEL NUMBER | SUPERVISOR DISTRICT(S) |
|---|---|---|---|
| Industrial | Airport Review Area (AR) | 076-371-025<br>076-371-031 | 3 |

PLANNING AREA STANDARDS:

San Luis Obispo Planning Area, Airport Review Area,

EXISTING USES:

Waste Connections (solid waste hauling company)

SURROUNDING LAND USE CATEGORIES AND USES:

*North:* Recreation / airport runway & vacant *East:* Industrial & Public Facilities / airport, offices
*South:* Public Facilities / airport *West:* Agriculture / undeveloped

| | |
|---|---|
| OTHER AGENCY / ADVISORY GROUP INVOLVEMENT:<br>The project was referred to: Public Works, Environmental Health Services, Airport Manager, Airport Land Use Commission, Air Pollution Control District, City of San Luis Obispo, Building Division, Cal Fire | |
| TOPOGRAPHY:<br>Nearly Level | VEGETATION:<br>Ornamental/developed site |
| PROPOSED SERVICES:<br>Water supply: On-site well<br>Sewage Disposal: Individual septic system<br>Fire Protection: Cal Fire | ACCEPTANCE DATE:<br>May 23, 2016 |

PROJECT HISTORY AND CONDITIONS

The project site has been in industrial use since the early 1980's when Trusco Tank, a steel tank manufacturing company owned and developed the site. Chicago Bridge & Ironworks (CB&I) purchased and further developed the site. The property is currently utilized by Waste Connections, a solid waste hauling company, who took over the site in 2012 (DRC2012-00030). The site is characterized by buildings, waste container and dumpster storage, haul trucks, and related maintenance equipment.

A geotechnical company, a medical manufacturing and wholesale distribution company, and mold fabrication and injection company are all located adjacent to the proposed project site. County owned land is located directly west, and serves as a drainage detention basin for the airport.

PROJECT DESCRIPTION

Hitachi Zosen Inova USA, LLC proposes the establishment of an anaerobic digestion plant that will process green and food waste from the Waste Connection service area. Waste Connections will continue to operate waste hauling, including storage of waste containers, haul trucks, and related maintenance.

**Construction:** The project will include the remodel of an existing 13,128 square-foot (sf) warehouse building and construction of a 36,000 sf addition. Other improvements will include a new office trailer, 80-space parking lot, vehicle weighbridge, 5,000 sf digester, 3,500 sf presswater tank, 7,500 sf biofilter, 1,059 kW combined heat and power (CHP) unit with flare, site grading, and stormwater facilities.

**Plant Operations:** The ADP will be manned five days a week in a single-shift. All maintenance and service tasks will be carried out during this time. Brief inspections will be made on weekends and during emergency and stand-by times. The actual digestion process takes place automatically around-the-clock without maintenance. Biogas production and utilization will also take place around-the-clock.

The organic material, which consists of approximately 80% - 90% organic green waste and 10% - 20% food waste, will be delivered to the plant and deposited in the reception hall. All handling of organic materials will take place in closed and ventilated rooms. Automatic roll doors will allow trucks to enter the facility and close immediately upon safe entry. From there, the material will be fed into the processing area using a wheel loader. The material will be pre-processed through a star screen that will remove contaminants such as plastic, paper and other non-organic items. Ferromagnetic particles will also be removed. The material will then be shredded and screened to pieces of approximately 2-inch in size. The pre-treated material will then be transported to an intermediate storage bunker. The dosing unit will be equipped with a conveyor chain (alternative: push floor) feeding the material in batches to the digester via conveyor belts or screw conveyors. The dosing unit will be equipped with a scale to monitor the amount of material fed into the digester.

**The Kompogas Digester.** The continuously fed, horizontal PF1800 plug-flow digester has a capacity of 1,800 $m^3$ (64,000 cubic feet±) at a filling level of approximately 85%. The digester is a patented steel structure with inner dimensions of approximately 38.3 m (126 feet) / 44m (144 feet) x 8.5m (28 feet) (length x diameter). A heating system, consisting of a central heat distribution system installed underneath the digester and a series of heating lances inserted through the digester, ensures that the process temperature is reached rapidly and is constantly maintained. Hot water supplied by the combined heat and power unit (CHP) is used as the

heating media. In order to minimize heat losses, the steel tank is enclosed by thermal insulation. The central heat distribution system is installed underneath the digester within the enclosure, accessible by doors from both ends.

The digestion process is based on anaerobic-thermophilic dry digestion at a temperature of approx. 55°C / 131ºF and a retention time of approximately fourteen (14) days. Any unwanted seeds, germ buds and micro-organisms are eliminated inside the gas-tight digester. A slowly turning agitator device results in de-gasification, while sedimentation of heavy matter in the digestion substrate is addressed due to special positioning of the agitator paddles.

**Dewatering.** The digested remainder material will be removed out of the reactor by the outlet pump and dewatered by screw presses, which separate the digested substrate into press cake (ultimately compost) and press water (ultimately liquid digestate/compost tea). The liquid digestate/compost tea will be piped into the press water tank, where it will be stored for future use off-site. A portion of the presswater will be treated by advanced mechanical press water treatment and recirculated for moistening the input feedstock material. The water surplus can also be stored for the further utilization. The press water can be used for moistening compost piles.

**Presswater and Loading.** Liquid digestate from the presswater feeding tank will be pumped to one large presswater storage tank outside of the main building. Storage tanks are covered by a gas and odor tight membrane and equipped with a water tight door. This allows access for periodic removal of sediments with equipment (e.g., Bobcat). The head space above the presswater tank (within the gas membrane) will be used for secondary biogas storage. Presswater can be used as liquid organic amendment in the agriculture industry. Agriculturists will pick up liquid digestate and fill their trucks directly at the storage tank, by means of a digestate loading station.

**Post-Treatment of Solid Digestate.** Solid digestate will be taken from underneath the dewatering presses (dripping cone) with a shovel loader and deposited into one of several open boxes, located in the compost hall. The digestate will be subject to aerobic stabilization and removal of volatile organic compounds. Air will be blown for approximately twenty-one (21) days through the material by means of ventilation channels in the floor, therefore allowing a rapid aerobic stabilization. The exhaust air of those boxes, as well as the air of the whole post-treatment hall, will be collected and piped to the waste air treatment plant (i.e., a system including piping, bio-filter, exhaust, humidification, etc.).

**Biogas Utilization.** The space in the head section of the digester is used as a storage buffer for the continuously produced biogas. This ensures optimal operation of the biogas utilization equipment and hence efficient energy use. The biogas is extracted from the digester/gas storage through stainless steel pipes and fed first into a biogas pretreatment/cleaning system, or directly into the CHP.

Raw biogas from the digester is first desulfurized and then dewatered to an acceptable level for the following biogas utilization systems. The biogas is analyzed for its content of methane ($CH_4$), carbon dioxide ($CO_2$), oxygen ($O_2$) and hydrogen sulfide ($H_2S$). The following describes the quantity and quality of the raw biogas during the operational phases of the process.

> Heating of Liquid Digestate (inoculum): Little biogas is produced in this phase, but what gas is produced is flared. The duration of this phase of the process is approximately four (4) to six (6) weeks depending upon the quality of the liquid digestate and climatic conditions.

Digester Feeding: The digester is temperature controlled for enhanced degradation stability and rate. Shortly after the first feedstock is added to the digester and once the target temperature is reached, the biogas quality is typically good (i.e., >50% $CH_4$).

The pre-treated biogas is lead to a combined heat and power (CHP) unit. The CHP unit is a complete module with gas controller, gas engine, generator, exhaust funnel, heat recovery, cooling unit, catalyst and control unit. It is installed in a container, ready for connection and supplied for outdoor installation. The CHP is designed to ensure maximum possible electrical efficiency and high availability. The electrical power can be fed into the grid, while a small amount of heat (approximately 25%) is used for heating the fermenter.

**Exhaust Air.** The digester is a completely closed system, as the process operates under anaerobic conditions (i.e., in the absence of air). Therefore, no emissions are released into the surrounding environment by the digestion plant. Exhaust air collected from the various halls is moistened with water by means of a nozzle system operated with compressed air. Reaching humidity levels of 95% guarantees an optimal operation of the subsequent biofilter, requiring minimal maintenance. To lower the total air volume to be treated by the biofilter, the total exhaust air collected in the waste treatment hall is directed to the composting hall as inlet air. The air from the treatment hall is reused for aeration of the composting hall before it is led to the biofilter for treatment.

The biofilter consists of a large open concrete tank with a permeable floor to allow for air flow, and is filled completely with pieces of tree roots. Root wood will consist of 70 – 90% coniferous (e.g., spruce, fir, pine) and 10 – 30% hardwood. After being shredded and sieved to between 40 – 120 mm, the wood chunks offer a large surface as a breeding ground for natural micro-organisms which absorb the volatile organic compounds contained in the exhaust air. The loosely stacked biofilter results in a minimal pressure loss of the exhaust air stream.

To prevent the air from penetrating into the environment, both the treatment hall and the composting hall are kept in a state of slight under-pressure. In the areas of the dewatering and digestate storage of residues, higher odor emissions, such as $NH_3$, are expected. Therefore, in the area of the dewatering screw press and the decanter, an air exchange rate of approximately four (4) per hour is anticipated. Further, the feeding and transfer hopper of the screw presses are connected to the exhaust system to evacuate the odor emissions at their source. Blinds/shutters are installed in the back wall of the screw presses to minimize the odor emission in the area of the dewatering presses and decanter.

The waste water collecting shaft is also connected to the exhaust air system. For the area on front of the composting boxes, the overall exchange rate is approximately three (3) per hour. Both liquid storage tanks are connected to the exhaust air system. To prevent an ex-zone within the tanks, an emergency aspiration will be installed in case of failure of the main air exhaust system. Besides the exhaust air coming from the treatment hall, another part of fresh air must be entrained by blinds/shutters or hall-gates into the composting hall.

Before the exhaust air reaches the biofilter, it is humidified. This can be performed by introducing an injection nozzle system into the air duct and applying air and water into the opposite direction of the exhaust air stream. The ADP will be installed with an ammonia scrubber which will prevent inhibition and high odor emissions in the biofilter.

## PROJECT ANALYSIS

The anaerobic digester project is considered an ‘Ag Processing’ land use because it consists of receiving and processing of green material (commercial composting). Ag Processing is

considered an 'A1' use in Industrial Land Use Categories, which means it is an allowable use. The proposed project requires a Conditional Use Permit because it involves more than 40,000 square-feet of gross floor area, and more than 3 acres of site disturbance and impervious area.

**Ordinance Compliance:**

| *Standard* | *Allowed/Required* | *Proposed* |
|---|---|---|
| Minimum Site Area | 5 acres | 12.53 acres |
| Setbacks | | |
| Front | 200 feet | 218 feet |
| Left Side | 200 feet | 37 feet* |
| Right Side | 200 feet | 207 feet |
| Rear | 200 feet | 173 feet* |
| Residence | 500 feet | ± 1,500 feet |
| Height | 45 feet | 47 feet (existing)<br>40 feet (addition) |
| Parking | None, enough area to park all employees<br>100 feet from property line | 62 spaces with 2 accessible spaces<br>Existing legal non-conforming |
| Sign | 100 square-feet per site<br>Wall sign – one per public face, 15% of building face or 80 square-feet | Modification requested<br>4 wall signs<br>320 square-feet each<br>1,280 square-feet total |

- Setback modification required (see Modification discussion below)

*Agricultural Processing Uses*
Permit Requirements. Minor Use Permit approval is required for agricultural processing activities, including but not limited to wineries, packing and processing plants, fertilizer plants, and commercial composting, unless Section 22.08.030 (Project-Based Permit Requirements) or Subsection D. would otherwise require Conditional Use Permit approval.

*Staff comments: The proposed project requires conditional use permit approval under Section 22.08.030 because it involves more than 40,000 square-feet of gross floor area, and more than 3 acres of site disturbance and impervious area.*

Commercial Composting. The following standards apply to the establishment of a commercial composting operation in addition to any applicable standards or permits that may be required from the California Integrated Waste Management Board or the County Environmental Health Department:

a) Minimum site area. Five acres.
b) Parking requirement. None, provided that sufficient usable area is available to permanently accommodate all employee and user parking needs entirely on-site. Parking areas shall be located no closer than 100 feet from each property line.
c) Setbacks. Outdoor use areas and structures shall be 200 feet from each property line, and no closer than 500 feet to any residence outside of the ownership of the applicant.

*Staff comments: The proposed project is located on 12+ acres and therefore meets the minimum site area requirement. The project's main entry is located on the southern end of the property off of Old Santa Fe Road. There is an existing paved and striped parking lot with sixty-two (62) spaces and two (2) accessible spaces. Based on parking calculations, the existing Waste Connections facility and the new anaerobic digester will require 45 parking spaces. The existing parking lot is sufficient for this project. At completion, the proposed project will be located more than 200 feet from the front and right side property lines. The project will be located approximately 37 feet from the left side property line, and approximately 173 feet from*

*the rear property line. The applicant is seeking a setback modification for the left and rear property lines. See 'Modifications' section below for more discussion.*

**Modifications**

*Exception to Special Use Standards.* The standards of this Chapter may be waived or modified through Conditional Use Permit approval, except where otherwise provided by this Chapter and except for standards relating to residential density or limitations on the duration of a use (unless specific provisions of this Chapter allow their modification). Waiver or modification of standards shall be granted only where the Commission first makes findings that:

1. Set forth the necessity for modification or waiver of standards by identifying the specific conditions of the site and/or vicinity which make standard unnecessary or ineffective;
2. Identify the specific standards of this Chapter being waived or modified;
3. The project, including the proposed modifications to the standards of this Chapter, will satisfy all mandatory findings required for Conditional Use Permit approval by Section 22.62.060.C.4.

In no case, however, shall any standard of this Chapter be reduced beyond the minimum standards of the other chapters of this Title, except through Variance (Section 22.62.070).

*Staff comments: The applicant requests an adjustment to setbacks as required by the Special Use Standards – Commercial Composting. The applicant requests a modification to the 200 foot setback requirement for structures on the left side and rear property lines. The proposed structure would be 37 feet from the left side property line, and 173 feet from the rear property line instead of 200 feet. These modifications would not reduce the setback beyond the minimum standards of Title 22; setbacks from structures to property lines in the Industrial Land Use Category are 25 feet in the front, with no setbacks required on the side or rear property lines.*

*Staff recommends approval of the requested setback modification. Based on the existing structure that is proposed to be utilized for the project, it would be ineffective to require a 200 foot setback from the left and rear property lines. Additionally, a man-made drainage channel runs through the middle of the property (east-west) and would further hinder the placement of a structure away from the left property line. The property does not abut residential land uses, and is surrounded by manufacturing and other industrial uses.*

*Exception to Sign Ordinance.* The standards of this Chapter may be waived or modified through Conditional Use Permit approval, except where otherwise provided by this Chapter and except for standards relating to residential density or limitations on the duration of a use (unless specific provisions of this Chapter allow their modification). Waiver or modification of standards shall be granted only where the Commission first makes findings that:

1. Set forth the necessity for modification or waiver of standards by identifying the specific conditions of the site and/or vicinity which make standard unnecessary or ineffective;
2. Identify the specific standards of this Chapter being waived or modified;
3. The project, including the proposed modifications to the standards of this Chapter, will satisfy all mandatory findings required for Conditional Use Permit approval by Section 22.62.060.C.4.

In no case, however, shall any standard of this Chapter be reduced beyond the minimum standards of the other chapters of this Title, except through Variance (Section 22.62.070).

*Staff comments: The applicant is requesting an adjustment to the sign standards as required by the Sign Ordinance. The applicant requests a modification to number and area of signs allowed on a site. The industrial project site is allowed one wall sign per building face with public entrance, up to a maximum of 80 square-feet. The proposed site has two building faces with public entrances. The applicant is proposing four (4) wall signs of 320 square-feet each.*

*Staff recommends approval of the requested sign ordinance modification. The standard is in effective because though the proposed site has two public entrances, the structure is visible on all four sides from both public roads and the airport. Additionally, the structure will be 49,128 square-feet and 40 feet tall. The proposed sign modification will be more in proportion to the scale of the project.*

SAN LUIS OBISPO PLANNING AREA STANDARDS:

**Airport Review Area (AR).** The project is within the County's Airport Review combining designation (AR). The AR is used to recognize and minimize the potential conflict between new development around the San Luis Obispo County Regional Airport and the ability of aircraft to safely and efficiently maneuver to and from this airport. This includes additional standards relating to limiting structure/vegetation heights as well as avoiding airport operation conflicts (e.g., exterior lighting, radio/electronic interference, etc.).

1. Airport Land Use Plans included by reference. The adopted San Luis Obispo County Airport Land Use Plan, and any amendments thereto, is hereby incorporated into this Title by reference as though it were fully set forth here.

2. Limitation on uses within Airport Review Area. Allowable uses are limited to those designated as "compatible" or "conditionally approvable" by the San Luis Obispo County Airport Land Use Plan, as applicable, in compliance with the land use permit requirements of Section 22.06.030 (Allowable Land Uses and Permit Requirements.

3. Review for compliance with Airport Land Use Plan. All land use permits, land divisions and General Plan amendments must be found consistent with the San Luis Obispo County Airport Land Use Plan adopted by the San Luis Obispo County Airport Land Use Commission.

4. Site Design and development standards - Private lands. All development applications for the area within the boundary of the San Luis Obispo County Airport Land Use Plan shall comply with the development standards in that plan, in addition to all applicable provisions of this Title. In the event of conflicts between the provisions of the Airport Land Use Plan and this Title, the more restrictive provisions shall prevail.

5. Site design and development standards - Airport site. New development projects in County-owned portions of the site of the San Luis Obispo County Airport shall be consistent with the adopted Airport Use Permit (the land use plan for the airport itself), and shall comply with all applicable provisions of the airport lease site standards instead of the provisions of Articles 3 and 4 of this Title.

*Staff comments: The site is located within Airport Land Use Plan Aviation Safety Area S-1b, and is approximately 300 feet from the Airport active runway 29, and approximately 400 feet from active runway 11. A portion of the property is located within the Runway Protection Zone (RPZ).*

*The current approved Airport Layout Plan (ALP) in the Airport Master Plan identifies the project site for future airport acquisition to enable expansion of the airport.*

*The Airport Land Use Plan (ALUP) provides guidance for and limitations to the type of development allowed within the AR designation.*

*The primary use of the project, as defined in Section 8 of the Airport Land Use Plan (ALUP), is "Agricultural Processing" because the project involves "receiving and processing of green*

*material which is not produced on-site (commercial composting)." The ALUP Section 5.3 Land Use Compatibility Table designates Agricultural Processing within Aviation Safety Area S-1b as NR6 (land use is allowed provided the maximum non-residential density of use is limited to values presented in ALUP Table 7 and Figure 6). Agricultural Processing is prohibited in RPZ, but no portion of the proposed project is proposed in the RPZ area.*

*Unusually hazardous uses are prohibited in the S-1b area. The above-ground presswater tank with backup biogas storage tank could potentially meet this definition. However, only the upper portion (approximately 10%) of the 300,000 gallon tank would be used for occasional backup storage and would not be continuously filled with flammable material. The biogas in this tank would not be compressed, and would be approximately 2 psi in pressure. As conditioned, this project does not include features that could substantially contribute to the severity of an aircraft accident nor does it include the above ground storage of substantial quantities of flammable materials.*

*Draft revisions to the ALP, which are under review but not yet approved by the FFA, show that a portion of the proposed building may encroach on the critical area associated with the glideslope antenna signals. According to the consultant for the revised ALP, buildings are less likely to interfere with those frequencies, but all structures should be reviewed by the FFA. Additionally, the ALP includes potential future roadway alignments and taxiway extensions in the vicinity of the project. The proposed building does not appear to encroach or interfere with these future alignments.*

*Exhaust air from the digester is released into a waste air treatment plant – a large concrete tank filled with pieces of tree roots to absorb odors. Airflow through the tree roots is continuous and will discourage birds, which can be hazardous to airplanes.*

*Per the ALUP, the proposed use is considered "conditionally approvable". The project was reviewed by the Airport Land Use Commission (ALUC) on June 29, 2016. The ALUC recommended conditions to limit density, require avigation easements, and prohibit project characteristics that would interfere with maneuvering of aircraft. The project was also referred to the County Airport Manager who commented that the project should undergo FFA review, provide evidence that there will be no impact to the Instrument Landing System as ultimately planned, and shall not have lighting that would interfere with aircraft operations. All projects within the AR designation are required to obtain an avigation easement to secure avigable airspace.*

*Safety lighting will be installed on the building and outdoor equipment as necessary. An existing 80 space dirt parking lot will be re-surfaced with pavement, but no additional parking lot lighting will be installed.*

**Undergrounding.** All projects requiring Conditional Use Permit approval shall provide for utilities being placed underground unless the Commission determines either that the proposed development will be of low intensity or in an isolated location; or that supporting overhead utilities will not be visible from public roads; or that overriding operational, economic or site conditions of the project warrant waiver of this requirement.

*Staff comments: The project is conditioned to provide undergrounding of utilities.*

**Planning Impact Areas.** Applications for discretionary land use permits, land divisions, or General Plan amendments shall be referred by the County to the City of San Luis Obispo and (if in its planning impact area) to the City of Pismo for review and comment.

*Staff comments: The proposed project was referred to the City of San Luis Obispo. The*

*proposed project is located within the City of San Luis Obispo's Airport Area Specific Plan is a designated for annexation to the City. The City recommends consultation with the ALUC and that the project be conditioned to be consistent with the City's Airport Specific Plan street and infrastructure recommendations, and to pay all City transportation impact fees. See attached referral response (Leveille, June 8, 2016).*

**Communitywide Standards.**
Water Supply. Developments shall provide on-site water supply, or a community water supply system with the capacity to serve 50 or more connections (customers) may be permitted, until annexed to the city and city services are provided.

*Staff comments: The project proposed to obtain its water needs from an on-site well. The well will be used primarily during initial project start up. Once the anaerobic digestion plant is up and running, the water needs of the plant will be fulfilled from the in-system presswater tank. Water for fire suppression purposes (i.e. fire sprinklers) will be provided from an existing system that includes the existing well, pumps, and water storage. The project is conditioned to reactivate the Chicago Bridge & Ironworks water system permit.*

Airport Area. Water supply and sewage disposal systems shall be design to accommodate future connection to city systems where feasible. Compliance with all applicable conditions of land use permits shall be determined before issuance of a business license, in compliance with Section 22.62.020. Free-standing signs shall be monument signs with a maximum height of six feet. A notice listing the authorized land uses for a site shall be recorded in the Office of the County Recorder before final condition compliance of any Conditional Use Permit. Land uses are limited to those listed in the table of this section. The setback along Santa Fe Road shall be a minimum of 75 feet from the roadway centerline. Any new development requiring land use permit approval shall include screening of outdoor storage, loading and parking areas from public streets by native or drought-tolerant landscape and plant materials, and shall provide street trees along the property frontage on all public streets.

**SAN LUIS OBISPO ALLOWABLE LAND USES AND PERMIT REQUIREMENTS**

| LAND USE (1) (2) | PERMIT REQUIREMENT BY L.U.C. (3) | | | | | Specific use Standards |
|---|---|---|---|---|---|---|
| | CS/BP | IND | OS | REC | PF | |
| **AGRICULTURE, RESOURCE, AND OPEN SPACE USES** | | | | | | |
| Ag Processing | A2 | A1 | | | | 22.30.070 |
| Agricultural Accessory Structures | P | P | SP(5) | P | P | 22.30.030,060 |
| Animal Facilities | | | | | | 22.30.100 |
| Animal hospitals & veterinary medical facilities | | | | | A1 | 22.30.100 |
| Horse ranches and other equestrian facilities | | | | | MUP | 22.30.100 |
| Kennels (6) | | | | | A1 | 22.30.100 |
| Zoos - Private, no display open to public | | | | | | 22.30.100 |
| Zoos - Open to public | | | | | CUP | 22.30.100 |
| Animal Keeping | A2 | A2 | A2 | A2 | A2 | 22.30.010 |
| Crop Production and Grazing | A2 | A2 | A1 | A1 | A1 | 22.30.200 |
| Farm Equipment & Supplies Sales | | A1 | | | | |
| Mines and quarries | | | | | | 22.36 |
| Nursery Specialties | | | | | | 22.30.310 |
| Petroleum Extraction | | | | | | 22.34 |

*Staff comments: The proposed project utilizes an on-site well and an existing septic tank. A business license will not be issued until all conditions of the land use permit are complied with, and occupancy is granted to the plant. No free-standing signs are proposed at this time, and any future free-standing signs will be required to be a monument sign under six feet in height. The project is conditioned to record a notice with the Clerk-Recorder of the allowed uses on the site prior to occupancy and final condition compliance. The proposed project is an Ag*

*Processing use in an Industrial land use property, and therefore is allowed. The proposed building is setback more than 75 feet from the centerline of Santa Fe Road. The project is screened along Santa Fe Road by existing oleanders. Existing street trees have been planted along the Old Santa Fe Road frontage (entrance to Waste Connections). Street trees are not feasible to plant along the property frontage on Santa Fe Road, as they would potentially interfere with airport operations and safety.*

ENVIRONMENTAL DETERMINATION:

A Negative Declaration (pursuant to Public Resources Code Section 21000 et seq., and CA Code of Regulations Section 15000 et seq.) has been issued on July 21, 2016 for this project. Mitigation measures are proposed to address Air Quality, Geology and Soils, Hazards/Hazardous Materials, Transportation/Circulation, and Water/Hydrology and are included as conditions of approval.

AGENCY REVIEW:

Public Works – Per attached referral response (Tomlinson, May 2, 2016), drainage plan and stormwater control plan will be reviewed at time of building permit application, conditions recommended.

Environmental Health – Per attached referral response (Terry, May 20, 2016), permits are required from Environmental Health prior to operation and a cross-connection device may be required.

Cal Fire – Per attached referral response (Byrnes, June 10, 2016), Cal Fire is working closely with the applicant and the applicant's Fire Protection Engineer to develop fire/life/safety standards. This is the first anaerobic digester of its kind to be constructed in the US, and research is being done to develop standards to mitigate concerns.

City of San Luis Obispo – Per attached referral response (Leveille, June 8, 2016), the proposed project is located within the City of San Luis Obispo's Airport Area Specific Plan is a designated for annexation to the City. The City recommends consultation with the ALUC and that the project be conditioned to be consistent with the City's Airport Specific Plan street and infrastructure recommendations, and to pay all City transportation impact fees.

ALUC – Per attached Notice of Airport Land Use Commission Action (June 29, 2016), the ALUC determined the project Consistent with the Airport Land Use Plan, based on proposed conditions.

APCD – Per attached referral responses (Guise, May 11, 2016, June 14, 2016, July 8, 2016) APCD had concerns relating to emissions (construction and operational) and the emission of biogas.

LEGAL LOT STATUS:

The two existing lots are Public Lots, PL08-0032, and were legally created by deed at a time when that was a legal method of creating lots.

Staff report prepared by Brandi Cummings and reviewed by Karen Nall.